

Fact Sheet
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U.S.-Australia Defense Trade Cooperation Treaty

On September 5, 2007, President George W. Bush and Australian Prime Minister John Howard signed a Treaty on Defense Trade Cooperation. At a time when U.S. and Australian forces continue to work closely together on operations overseas, President Bush and Prime Minister Howard believe that more must be done to enhance defense cooperation by facilitating the exchange of defense goods, services, and information between the United States and Australia. The Treaty will reduce the requirements for individual government approval for exports of most defense articles when in support of specific programs and projects. The Treaty will help further strengthen and deepen the effort between our respective defense establishments to achieve fully interoperable forces, to sustain those forces, and to leverage the strength of our defense industries in direct support of our armed forces.

The United States and Australia concluded this treaty because:

- * It is in our mutual national security interest to efficiently support combined U.S.-Australian military and counterterrorism operations, and to speed U.S.-Australian research, development and production of interoperable defense technologies.
- * It is in our mutual homeland security interest to collaborate in the development of the most effective countermeasures to combat terrorist attacks, at home and against our partners.
- * It is in our mutual security and economic interest to make more effective use of our resources by leveraging each other's experience, and by reducing duplication of efforts in research and development and production.

Treaty Highlights

The Treaty will create a secure circle comprised of the U.S. Government, the Government of Australia and both countries' respective defense companies which meet specific requirements. Most U.S. and Australian defense articles will be able to be exported into, and within, this circle without prior government approval as long as the exports are in support of certain

- * combined U.S.-Australia military or counterterrorism operations,
- * U.S.-Australia research, development, production and support programs,
- * Australian Government-only end-uses, and
- * U.S. Government-only end-uses.

Exports outside the circle will require U.S. and Australian Governments' approval. Both U.S. and Australian laws will apply to defense articles exported under the Treaty, providing strong legal protection against misuse or diversion of these items.

Both Governments will present the Treaty to their respective legislatures promptly, as required by law. The U.S. and Australia intend to develop implementing arrangements for the Treaty within six months.

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